

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NOS. APP-96-1 RPU-96-8
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**ORDER APPROVING REVENUE SHARING PLAN,
REQUIRING REPORT, AND REQUIRING SERVICE**

(Issued March 31, 2000)

On February 15, 2000, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) its return on common equity calculations for 1999 pursuant to Appendix V of the settlement approved by the Board on June 27, 1997, in Docket Nos. APP-96-1 and RPU-96-8. The settlement requires MidAmerican to file by February 15 of each year through year 2001 calculations showing its return on equity for Iowa jurisdictional electric operations. If MidAmerican's return on equity exceeds 12 percent, the settlement requires MidAmerican to return 50 percent of the excess earnings to non-contract customers. MidAmerican's equity calculations show an equity return of 14.17 percent, resulting in a refund of \$14,931,000 due to customers.

MidAmerican filed a motion for approval of a revenue sharing plan on March 1, 2000. The proposed plan would refund \$14,851,185 to all non-contract customers through a bill credit allocated equally to non-contract customers in proportion to 1999 non-contract billed revenues. The discrepancy between this amount and the refund amount due is because MidAmerican in 1999 refunded \$79,815 more than required under the revenue sharing plan. The refund is approximately 2 percent of total billed

revenue for each customer class, including a refund of approximately \$7.7 million for residential customers.

The Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a response on March 3, 2000. Consumer Advocate said its review of MidAmerican's equity sharing calculation is not complete and that it is engaged in discovery with MidAmerican to determine the accuracy of MidAmerican's calculations. Consumer Advocate does not object to MidAmerican's refund plan but reserves the right to request a contested proceeding if it determines that additional refunds may be due customers.

The Iowa Industrial Intervenors (III) filed a similar response on March 10, 2000. In addition, III said it did not receive a timely copy of MidAmerican's filing and asked that MidAmerican be directed to provide it with copies of future filings. MidAmerican filed a reply on March 17, 2000, stating it did not have an obligation to serve parties with copies of filings after the order becomes final. III filed a response to the reply on March 24, 2000.

The Board has reviewed MidAmerican's revenue sharing plan and will approve it, subject to additional refunds, if warranted, as determined in a subsequent contested case proceeding. Consumer Advocate and III are among those who may request such a proceeding after their review of the calculations is complete. Also, MidAmerican will be required to file a refund report within 90 days of completion of the refunds.

The Board will not decide here whether 199 IAC 7.6(1) requires service of all compliance filings be made on parties to the contested case proceeding. The Board

notes, however, that nothing in the rule specifically exempts filings made after the final order. Many compliance filings, such as the revenue sharing calculation and refund plan filings here, are significant and may substantially impact customers who intervened in the contested case proceeding. The Board will, therefore, require MidAmerican to serve copies of all future filings in these dockets on all parties to the contested case proceeding.

IT IS THEREFORE ORDERED:

1. The revenue sharing plan filed by MidAmerican Energy Company on March 3, 2000, is approved, subject to additional refunds, if warranted, as determined in a subsequent contested case proceeding.
2. MidAmerican Energy Company shall file a refund report within 90 days of completion of the refunds.
3. MidAmerican Energy Company shall serve copies of all future filings in Docket Nos. APP-96-1 and RPU-96-8 on all parties to the contested case proceeding.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 31st day of March, 2000.